



In the Matter of

Distribution of 1997 Digital Audio
Recording Royalty Funds

Docket No. 98-2 CARP DD 97

DISTRIBUTION ORDER

LIBRARY
OF
CONGRESS

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Southwest
Station
Washington
D.C. 20024

On April 21, 1998, the Alliance of Artists and Recording Companies ("AARC"), James Cannings, Gospel Music Coalition, Kevin Murphy, Anthony Lopacinski, Andrew Waldeck, Christopher Reardon, Schiavone McGee, Mike Boyd, David Peterson, David Triano, John Walter Kuhl, Jr., Stewart Myers, Andrew Winn, Brian Jones, Corey Harris, Boyd Tinsley, Stefan Lessard, David John Matthews, Carter Beauford, Leroi Moore, Norton Records, Reachout International Records, Inc., Fifth Avenue Media, Ltd., VP Record Distributors, Inc., Fighting Gravity, Inc., Mobred, L.L.C., and Bama Rags, Inc. (also referred to as the "Settling Parties") filed a joint notice informing the Copyright Office that they had reached a universal settlement concerning the distribution of the 1997 Sound Recordings Fund.

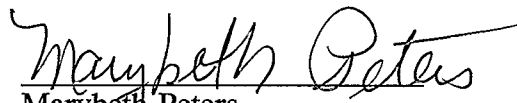
Andrew Waldeck, Anthony Lopacinski, Kevin Murphy, and Christopher Reardon, who filed claims to both subfunds (the Featured Recording Artists Subfund and the Copyright Owners Subfund) comprising the 1997 Sound Recordings Fund, have withdrawn their claims to the Copyright Owners Subfund. See Letter to Copyright Arbitration Royalty Panel dated April 16, 1998. AARC is representing their remaining interest to the royalties in the 1997 Sound Recordings Fund. Likewise, Schiavone McGee, Mike Boyd, David Peterson, David Triano, John Walter Kuhl, Jr., Stewart Myers, Andrew Winn, Brian Jones, Corey Harris, Boyd Tinsley, Stefan Lessard, David John Matthews, Carter Beauford, Leroi Moore, Fighting Gravity, Inc., Mobred, L.L.C., and Bama Rags, Inc. are now participants in and represented by AARC. Notice at 2-3.

By way of the notice, the Settling Parties informed the Copyright Office that they had reached a universal settlement concerning the distribution of their share of the 1997 Sound Recordings Fund (the Copyright Owners Subfund and the Featured Artists Subfund). In addition, they agree that the Copyright Owners Subfund and the Featured Artists Subfund should be distributed to a single agent, the Alliance of Artists and Recording Companies, which shall make further distribution of the funds to the other "Settling Parties" according to their agreement. The terms of the settlement agreement, however, set no precedent for future DART proceedings. Notice at 3. It is the

responsibility of the parties to provide all pertinent information to effect the transfer of funds to the Copyright Office no later than 7 days before the date of distribution.

Additionally, on May 12, 1998, the Copyright Office received two letters from Mr. Edward C.A. Peters (dated May 7, 1998), informing the Office that pursuant to 17 U.S.C. 1006(b)(1), he had been appointed to manage and ultimately distribute the Nonfeatured Musicians Subfund and the Nonfeatured Vocalists Subfund. That being so, Mr. Peters is requesting that the Office transfer the 1997 royalties allocated to the Non-Featured Musicians Subfund and the Non-Featured Vocalists Subfund as directed in the May 7 letters.

Accordingly, IT IS SO ORDERED that the Copyright Owners Subfund and the Featured Artists Subfund of the 1997 Sound Recordings Fund SHALL BE DISTRIBUTED to the Alliance of Artists and Recording Companies on June 11, 1998. IT IS FURTHER ORDERED that the Nonfeatured Musicians and Nonfeatured Vocalists Subfunds of the 1997 Sound Recording Fund SHALL BE DISTRIBUTED to the independent administrator, Mr. Edward C.A. Peters, on June 11, 1998.


Marybeth Peters
Register of Copyrights.

Dated: May 21, 1998.

*** TX REPORT ***

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CONNECTION TEL 917186583573
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U.S. Copyright Office General Counsel

Phone: 1-202-707-8380

Fax: 1-202-707-8366

FAX TRANSMITTAL SHEET

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DATE: May 22, 1998

TO: VP Record Distributors, Inc.

FAX: 718-658-3573
PHONE: 718-291-7058

FROM: Tanya M. Sandros, Attorney Advisor
Copyright, General Counsel

SUBJECT: Docket No. 98-2 DD 97
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COMMENTS:



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